

City of Key West

**Summary of Proposed
General Fund Budget
FY 2012-13**



General Fund Summary

Fiscal Year 2012-13 Budget - Proposed	\$ 50,404,609
➤ Less: Budgeted Unrestricted Operating Reserves	(\$ 9,831,515)
➤ Approx. 89 Days @ \$110,000 Per Day	
➤ Less: Budgeted Restricted Operating Reserves	<u>(\$ 147,900)</u>
Fiscal Year 2012-13 Budget - Proposed (Less Reserves)	\$ 40,425,194

Fiscal Year 2011-12 Budget – Adopted	\$ 49,287,010
➤ Less: Budgeted Unrestricted Operating Reserves	(\$ 9,731,700)
➤ Approx. 90 Days @ \$108,000 Per Day	
➤ Less: Budgeted Restricted Operating Reserves	<u>(\$ 274,000)</u>
Fiscal Year 2011-12 Budget - Proposed (Less Reserves)	\$ 39,281,310

Unrestricted Operating Reserves

➤ General Fund Cash June 30, 2012	\$ 14,549,000
➤ Plus: Estimated Revenues for Balance of FY	\$ 6,624,108
➤ Less: Estimated Payroll for Balance of FY	(\$ 6,180,000)
➤ Less: Estimated Accts Payable for Balance of FY	(\$ 2,494,350)
➤ Less: Encumbrances and Accruals	(\$ 1,892,243)
➤ Less: FY 2011-12 Unbudgeted PD/FD Pension Shortfall	<u>(\$ 775,000)</u>

Budgeted Unrestricted Operating Reserves **\$ 9,831,515**

General Fund – Revenue Highlights

Ad Valorem

- **Nominal growth in Total Taxable Value from 2011 (Final VAB) to 2012 DR 420**
 - **2011 Final VAB \$4,924,659,031**
 - **2012 DR 420 \$4,933,398,276**
 - **Less than 1/10 of One (.001) Percent Growth**
 - **“Little to No” Growth in Assessments & New Construction**

- **FY 2012-13 “Rollback” Millage Rate 2.8613 per \$1,000**

- **FY 2012-13 Proposed Millage Rate 2.9185 per \$1,000**
 - **\$300,000 in Assessment \$875.55 – City Portion**
 - **Or, 2.00 Percent above Rollback Rate**
 - **For Reference: 1 Percent Millage = \$137,000**

- **FY 2011-12 Adopted Millage Rate 2.8627 per \$1,000**
 - **\$300,000 in Assessment \$858.81 – City Portion**

- **\$16.78 Estimated Annual Increase In City Portion of Tax Bill**
 - **Based on a 2012 \$300K Assessment**

General Fund – Revenue Highlights (cont'd)

➤ **Cruise Ship Disembarkation**

➤ **Mallory Square**

- **11% Decrease** in budgeted Port Calls compared to PY budgeted Port Calls
- **21% Decrease** in Passenger Count

➤ **Outer Mole**

- **9% Decrease** in budgeted Port Calls compared to PY budgeted Port Calls
- **16% Decrease** in Passenger Count

➤ **Pier B**

- **14% Decrease** in budgeted Port Calls compared to PY budgeted Port Calls
- **14% Decrease** in Passenger Count

➤ **Total Budgeted Passengers for all Three (3) Port Locations**

- Fiscal Year 2011-12 837,493
- Fiscal Year 2012-13 711,791
- Approx. **16% Decrease** In Projected Passenger Count

➤ **\$418,000 Budgeted Loss of Net Income** from Prior Year

➤ **Passenger Count Budgeted @ 98 Percent**

General Fund – Revenue Highlights (cont'd)

- **State Shared Revenues**
 - Budgeted at or slightly above FY 2011-12 budget estimates

- **Federal, State, Local and TDC Grants**
 - **Approximately \$1,002,000**
 - **Federal**
 - \$495K PD Officers (8) (Awarded)
 - \$ 28K Byrne Grant and Keys to Success Grant (Awarded)

 - **State/Local**
 - \$ 75K KWHS SRO (Awarded)
 - \$ 75K Sunrise Canal Dredging (Boaters Improvement Fund)
 - \$ 9K Fire – NIMS/Certification (Awarded)

 - **TDC**
 - \$320K Beach Cleaning (Awarded)

General Fund – Revenue Highlights (cont'd)

- **“Street Parking” Hourly Rate**
 - **Current \$1.50 per hour**
 - **Increase \$1.75 per hour**
 - **Increase will generate approximately \$300,000**
 - **No Proposed Increase to Mallory/KW Bight/Park and Ride**

- **Building Fees**
 - **Budgeted at FY2011-12 projected collections or \$1,250,000**

- **Business Tax Receipts**
 - **Budgeted for FY 2012-13 at \$1,200,000**
 - **Real Estate Agents Exempted by 2012 Florida Legislative effort - \$35,000 Impact**

General Fund – Expenditure Highlights

- **Health Insurance Increase**
 - **Cigna has proposed 20 percent premium increase**
 - **Over 45% of claims paid attributable to five (5) plan participants**
 - **City to pay approximately half of the premium increase**
 - **Employee to offset the other half of the premium increase through plan changes**

- **Federal / State Lobbying Teams**

- **City Manager Operating Contingency of \$225K**

- **Approx. 89 Days of Unreserved Operating Fund Balance (Cash)**
 - **In compliance with City Fund Balance Policy**
 - **Near Maximum Limit (91 Days)**
 - **Includes FY 2011-12 Unbudgeted PD/FD Pension Shortfall of Approx. \$775K**

- **Habana Plaza Lease Payments - \$484,100**

General Fund – Expenditure Highlights (Cont.)

- **General Fund Position Changes:**
 - **No New Full Time Positions Proposed**
 - **Two (2) Positions Proposed for Elimination**
 - Police Department - Crime Scene Investigator
 - Finance Department – Accounting Clerk III
 - **Reclassifications of Several Positions**
 - Climate Action Plan Coordinator /Consultant – Part Time to Full Time
 - See Detail for Remaining City Manager Proposed Reclassifications
- **Reserve for FY 2012-13 Salary Adjustments**
 - **\$465,000 Reserved**
 - **Equates to an approximate 2% salary increase (benefits included)**
 - In addition to the budgeted Police/Fire Step Increases
 - Teamsters and Exempt Employees have no Step Plan
- **Contractual Step Increases for Fire and Police Departments**
 - **Either a 2.25 or 2.5 percent increase for eligible FD officers**
 - 52 Eligible / 15 (Capped Out)
 - Annual Cost of Step Plan - Approximately \$116K with Benefits
 - **Either a 3 or 5 percent increase for eligible PD officers**
 - 73 Eligible / 22 (Capped Out)
 - Annual Cost of Step Plan - Approximately \$255K with Benefits

General Fund – Expenditure Highlights (Cont.)

City Pensions

➤ General Employees Pension

	<u>Required Percent of Payroll</u>	<u>Funded by City</u>
➤ FY2012-13	9.0 Percent (Budgeted)	\$1,000,000 +/-
➤ FY2011-12	10.3Percent	\$1,022,366
➤ FY2010-11	6.9 Percent	\$1,133,177
➤ FY2009-10	6.2 Percent	\$1,163,828
➤ FY2008-09	6.8 Percent	\$1,265,870

➤ Police / Fire Pension

	<u>Required Percent of Payroll</u>	<u>Funded by City</u>
➤ FY2012-13	28.0 Percent (Budgeted)	\$2,702,000
➤ FY2011-12	28.5 Percent	\$2,745,976
➤ FY2010-11	24.8 Percent	\$2,402,226
➤ FY2009-10	23.5 Percent	\$2,058,415
➤ FY2008-09	21.8 Percent	\$2,022,206

General Fund – Expenditure Highlights (Cont.)

➤ Homeless Services

	<u>FY2011-12</u>	<u>FY2012-13</u>
Overnight Shelter	\$382,100	\$363,059
Mobile Outreach	\$ 42,000	\$ 38,172
Enhancements	<u>\$ -</u>	<u>\$ 42,887</u>
	\$424,100	\$444,118

➤ Reduction in “Aid to Private Organizations”

- Phased out over four (4) year period
 - AARP / Mental Care Health Clinic / Boys and Girls Club